

**MINUTES OF THE
MBASIA BOARD OF DIRECTORS MEETING
MONDAY, APRIL 27, 2015
CITY OF SAND CITY COUNCIL CHAMBERS
ONE SYLVAN PARK
SAND CITY, CA 93955**

MEMBERS PRESENT

Daniel Dawson, City of Del Rey Oaks
Linda Scholink, City of Sand City
Todd Bodem, City of Sand City
Steve Ando, City of Scotts Valley
Adela Gonzalez, City of Soledad
Jamie Goldstein, City of Capitola
Michael Powers, City of King City
Susan Stanton, City of Greenfield
Brett Miller, City of Hollister
Rene Mendez, City of Gonzales
Layne Long, City of Marina

MEMBERS ABSENT

GUESTS AND CONSULTANTS

Conor Boughey, Alliant Insurance Services
Michael Simmons, Alliant Insurance Services
Vadim Livshits, Alliant Insurance Services
Francine Uy, City of Soledad
Ken Maiolini, RMS Cotati
Grace Elizondo, KRKC News

A. CALL TO ORDER

Daniel Dawson called the meeting to order at 9:30 a.m.

B. CONSENT CALENDAR

B1. Minutes of the February 2, 2015 Meeting

B2. Minutes of the March 25, 2015 Meeting

B3. Minutes of the April 13, 2015 Meeting

B4. Service Calendar & Status of Deliverables

B5a. Ratification of Disbursements

Motion to Accept items B1. – B5a.

MOTION: Steve Ando

SECOND: Brett Miller

MOTION CARRIED

	Jamie Goldstein	Daniel Dawson	Rene Mendez	Susan Stanton	Brett Miller	Michael Powers	Linda Scholink	Steve Ando	Adela Gonzales
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

B6. 90 Day Notice of Cancellation to JT2

Conor Boughey explained that a notice was provided to JT2 per instructions from the Board of Directors. The letter has been sent, and there has been no reply to the Administrators from JT2.

Rene Mendez mentioned that he has had communications with them, and they intend to move on in a professional manner.

C. Public Comments

There were no public comments.

D. Board of Directors

D1a. Status of Revised JPA Agreement

Conor Boughey explained the status of the Revised JPA Agreement. King City has indicated they are on the agenda for May 12th. Conor requested any Members that have not submitted a signed copy of a resolution to adopt the JPA Agreement, to please submit to the Administrators at their earliest convenience.

D2a1. Liability Claims Administration Contract

Conor Boughey explained that the Liability TPA, RMS, has been working without a contract since January 1, 2015. Ken Maiolini, has requested a three-year extension of the previous terms.

Motion to approve three-year extension to RMS' Contract with terms remaining the same, and to give the President authority to sign on behalf of MBASIA.

Motion: Adela Gonzales

SECOND: Jamie Goldstein

	Jamie Goldstein	Daniel Dawson	Rene Mendez	Susan Stanton	Brett Miller	Michael Powers	Linda Scholink	Steve Ando	Adela Gonzales
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

D2a2. King City Membership to MBASIA

The Board discussed the issue of King City’s Membership with MBASIA. At the Executive Committee Meeting on April 13, 2015, the City of King agreed to provide a letter stating that they give notice of withdrawal effective July 1, 2016. The letter was to acknowledge that the City understands the terms of leaving the pool, including any amounts due to MBASIA. The City also agreed to an SIR of \$250,000 for Police related issues and \$25,000 for all other liabilities.

Motion to form an Ad-hoc Committee that will draft a Policy and Procedure to present to the Board of Directors in June. The Policy will outline how to exit the Pool. The Policy will not address Self-Insured Retentions. When the Policy is drafted, Michael Simmons will meet with officials of the City of King to explain the Policy.

MOTION: Jamie Goldstein **SECOND:** Brett Miller

MOTION CARRIED

	Jamie Goldstein	Daniel Dawson	Rene Mendez	Susan Stanton	Brett Miller	Michael Powers	Layne Long	Linda Scholink	Steve Ando	Adela Gonzales
Aye	X	X	X	X	X	X	X	X	X	X
Nay										
Abstain										

Motion that Ad-hoc committee members are Susan Stanton, Rene Mendez, and Layne Long

MOTION: Rene Mendez

SECOND: Jamie Goldstein

MOTION CARRIED

	Jamie Goldstein	Daniel Dawson	Rene Mendez	Susan Stanton	Brett Miller	Michael Powers	Linda Scholink	Steve Ando	Adela Gonzales
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

D2b1. Grant Funds

Conor Boughey explained the current status of the MBASIA Safety Grant Funds. He reminded Members that have not requested yet, to please submit their requests. Unused money diverts back into the general fund.

D3a. CARMA Preliminary Budget

Conor Boughey explained that included in the agenda is the preliminary budget from CARMA. These numbers are within the budget previously presented, and have no effect on the MBASIA general budget.

Premiums are up slightly this year. Conor explained that the Experience Factor (X-mod) is up 22% this year due to a claim going into the excess layer.

D3b. ERMA Preliminary Budget

Conor Boughey explained that included in the agenda is the preliminary budget from ERMA. The budget is down 1% this year. It was flat this year, due to low activity.

D3c. Status of RFP for WC TPA Services

Susan Stanton reported that the Ad-hoc committee members visited AIMS in Fresno. The committee was impressed by what they saw. AIMS has been informed that they have been selected as MBASIA’s new WC TPA. The Administrators are in discussions with AIMS, and a contract is currently in negotiation, but is not yet available to present to the Board. The contract will be on the June Board of Directors meeting agenda for approval. AIMS will be invited to the June meeting to meet with the Board and give a short presentation. MBASIA will continue to work with JT2 until June 30, 2015, at which point claims will be transferred on July 1, 2015.

Motion to authorize the Executive Committee to execute contract with AIMS provided it has met everything outlined by the MBASIA’s attorney. A teleconference meeting will be set up to do this. Contract is subject to Ad-hoc committee and Vince Hurley review.

MOTION: Adela Gonzales **SECOND:** Rene Mendez **MOTION CARRIED**

	Jamie Goldstein	Daniel Dawson	Rene Mendez	Susan Stanton	Brett Miller	Michael Powers	Layne Long	Linda Scholink	Steve Ando	Adela Gonzales
Aye	X	X	X	X	X	X	X	X	X	X
Nay										
Abstain										

Conor explained AIMS pricing. It represents an overall savings over the prior WC TPA.

D3d. Liability Actuarial Report

Conor explained that the central loss estimate is \$963,000. That means on average, each year there will be the equivalent of one full limit loss. This is an increase of 12% from last year. Conor explained that most pools fund at a 70-80% confidence level. MBASIA funds in a more risky way, but at least it isn't losing ground. The Pool is moving along without increasing the likelihood of dividends or assessments.

Adela asked if this means we will see an increase in liability premium. Conor says that the Pool is holding true to the estimate given at the meeting a few weeks ago. Jamie asked if this means there won't be a decrease seen next year. Conor explained that is true, but mostly because the funding is already pretty thin.

D3e. Workers' Compensation Actuarial Report

Conor explained the WC actuarial report. The rates have gone up 10% this year. Conor explained that this isn't great news, but the pool is in line with its peers. Adela Gonzales would like to visit the formula for WC premiums at the LRP. Conor explained that with the new TPA we will be saving a bit of money from the new contract, and they offer services which should help with cost savings. Jamie Goldstein added that as the 2011 falls from the data used to calculate premiums, there will be a big shift, because two cities had very large claims in that year. Most cities will be seeing a large increase.

F1. Next Board Meeting & ERMA Training Schedule

Meeting is currently scheduled for June 15, 2015. Administrators asked to move the meeting to June 22, 2015.

Meeting moved to Sand City on June 22, 2015 at 9:30 a.m.

D1. The MBASIA Board of Directors entered into Closed Session pursuant to Government Section Code 54956.95

A motion was made to enter into closed session at 10:47 a.m. pursuant to Government Section Code 54956.95.

MOTION: Brett Miller

SECOND: Rene Mendez

MOTION CARRIED

	Jamie Goldstein	Daniel Dawson	Rene Mendez	Susan Stanton	Brett Miller	Michael Powers	Layne Long	Linda Scholink	Steve Ando	Adela Gonzales
Aye	X	X	X	X	X	X	X	X	X	X
Nay										
Abstain										

A motion was made to come out of closed session at 11:06 a.m.

MOTION: Rene Mendez **SECOND:** Jamie Goldstein **MOTION CARRIED**

	Jamie Goldstein	Daniel Dawson	Rene Mendez	Susan Stanton	Brett Miller	Michael Powers	Linda Scholink	Steve Ando	Adela Gonzales
Aye	X	X	X	X	X	X	X	X	X
Nay									
Abstain									

Daniel Dawson reported that direction was given to the Claims Administrator and regarding the agenda item.

E. CORRESPONDENCE/INFORMATION

None.

F. GENERAL RISK MANAGEMENT ISSUES

None.

ADJOURNMENT

Daniel Dawson adjourned the meeting at 11:07 a.m.